

Towards & Beyond Excellence Plan

Our Improvement Vision

As a valued resident, you will receive the most cost-effective, consistent and efficient service possible

What does this mean?

- We will focus our resources in accordance with residents' priorities
- We will improve how we provide services in ways that make a difference to our customers
- We will challenge our costs and reduce the cost of administration
- We will work with other authorities in order to improve service delivery and reduce costs
- We will make our services easier to access, which is more flexible and convenient to our customers.

Although the Vision has an external focus, the Towards & Beyond Excellence Plan is about considering internal processes in order to improve the way we work. It is about providing the right services, to the people who need those services in the most efficient manner.

How will we do this?

The improvement agenda at the present time is clogged up with initiatives such as Value for Money, Shared Services, e-government, t-government and Gershon. There is a danger that if considered in isolation from one another these initiatives might contribute to review fatigue or worse might actually produce contradictory actions and unnecessary duplication of effort. The Towards & Beyond Excellence Plan will ensure that each of the initiatives is considered in a co-ordinated and informative way as part of a continuous improvement process.

The Towards & Beyond Excellence Plan brings together the following work streams:

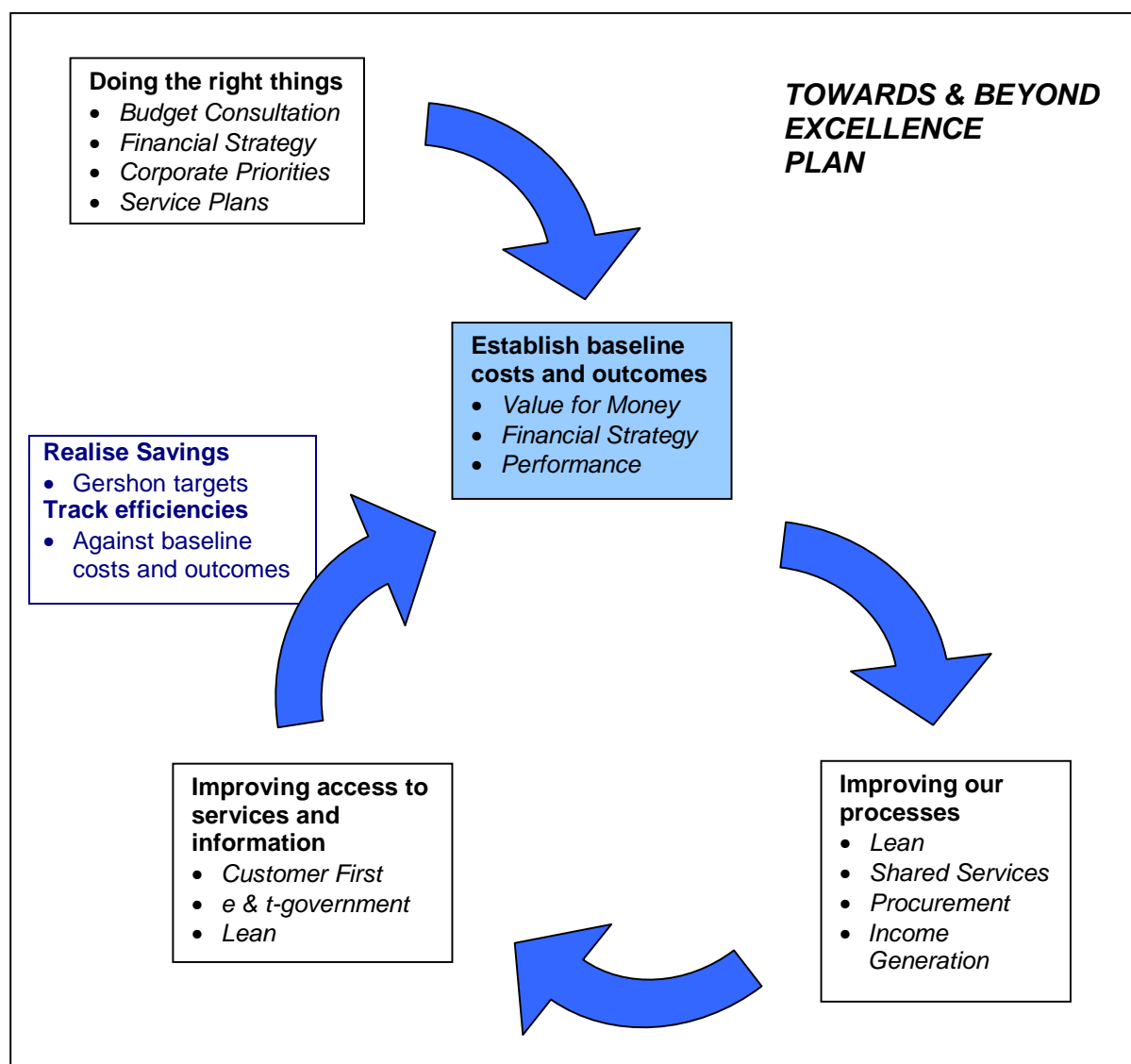
- ***Budget Consultation*** – we will undertake an annual consultation to determine which services are most important to residents
- ***Service Planning and Financial Planning*** – we will ensure that our business planning processes demonstrate a clear link between budget decisions and outcomes and performance
- ***Lean Reviews*** – we will review the way we provide all of our services, with a primary focus on what is best for the customer and getting things right first time
- ***Value for Money*** – we will look at the cost and performance of all our services to ensure that we are getting the best outcomes from our budget. We will reduce the cost of administration and ensure that budgets are only increased where there is a clear addition to or improvement in service
- ***Shared Services*** – we will work with West Devon and Teignbridge Councils on reducing our costs, particularly in back office administration, by merging our overheads and support services
- ***Gershon*** – we will publish an annual list of the savings we have made by working more efficiently

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- **Customer First** – we will make our services easier to receive by simplifying our processes and offering ways to receive our services that are more convenient to customers

Central to the Towards & Beyond Excellence Plan is the commitment to ensure all services challenge the relationship between cost of service on one hand and the quality and level of service on the other hand. A baseline of costs and performance for all services will be established using 2006/07 data and changes in the relationship between costs and performance will be charted in order to provide meaningful data with respect to use of resources and Value for Money.

The diagram below illustrates the Towards & Beyond Excellence Plan as a continuous process which incorporates all improvement initiatives in a co-ordinated manner.



Each of the stages, shown in boxes in the above diagram, is explored in greater detail in the following chapters.

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Doing the Right Things

Why are we doing this?

We should be able to demonstrate that our key decisions with respect to resources and service delivery are made in accordance with residents' priorities and an understanding of the needs of our communities.

How will we do this?

We will use consultation results, research and our understanding of South Hams to develop action plans which reflect residents' priorities and undertake further consultation where necessary on our annual budget with residents prior to setting a financial strategy to underpin our priorities.

What have we done so far?

- We have agreed priorities for South Hams District Council.
- We have agreed a Sustainable Community Strategy which sets out the communities priorities and the actions each partner is to undertake.
- We have a service planning system by which each service area sets out key actions, projects and measures for next three years (annual review), which links directly to budget process
- We have developed a financial strategy which will set out how residents' priorities will be resourced and have committed to undertake a comprehensive survey of residents and businesses with respect to our budget for 2008/09

What are we going to do, Who is going to do it and by When?

The action plan for 'doing the right things' is set out below.

How	What	Who	When
Budget Consultation	Web-based Budget consultation exercise to be undertaken	John Foxworthy	October 2007
Corporate Priorities	Members to hold a prioritisation day where all budget bids are considered alongside the priorities set out in the Sustainable Community Strategy	David Incoll	November 2007
Service Planning	Service Plan summary schedules to be produced for all services in time for the budget consideration	Heads of Service	December 2007
Financial Strategy	Financial Strategy to be adopted by Executive Committee	John Foxworthy	September (annual)
Financial Strategy	All budget pressures to be supported by SMART actions setting out the outcomes accruing from additional budget bids. Budget pressure actions plan to be produced and subsequently monitored to ensure that all outcomes are realised.	John Foxworthy	February 2008

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Establishing a baseline for costs and outcomes

Why are we doing this?

In order to be able to establish meaningful data with regards to Value for Money it is necessary to monitor the relationship between costs and performance. A budget saving is not necessarily an efficiency if there is a more than a proportionate reduction in service. Similarly a five percent improvement in service is not cost effective if it costs ten percent more to achieve. We will therefore work to ensure that savings are a result of efficiencies and are not necessarily delivered by reducing services.

How will we do this?

There is an important link between costs and outcomes which will be established. By calculating a baseline for both costs and performance for all services it will be possible to achieve the following:

- Measure the effectiveness of improvement initiatives on Value for Money by tracking changes in the relationship between costs and performance
- Compare our services with one another in terms of cost and performance
- Compare our services with the best performers nationally
- Specifically compare service costs and performance with West Devon District Council who are using the same methodology
- Ensure that savings are a result of efficiencies and are not necessarily delivered by reducing services

A methodology has been developed which diagrammatically shows the relationship between costs and performance/outcomes. This will enable Value for Money and cost effectiveness to be charted over time and will also enable the impact of budget changes and improvement work to be mapped.

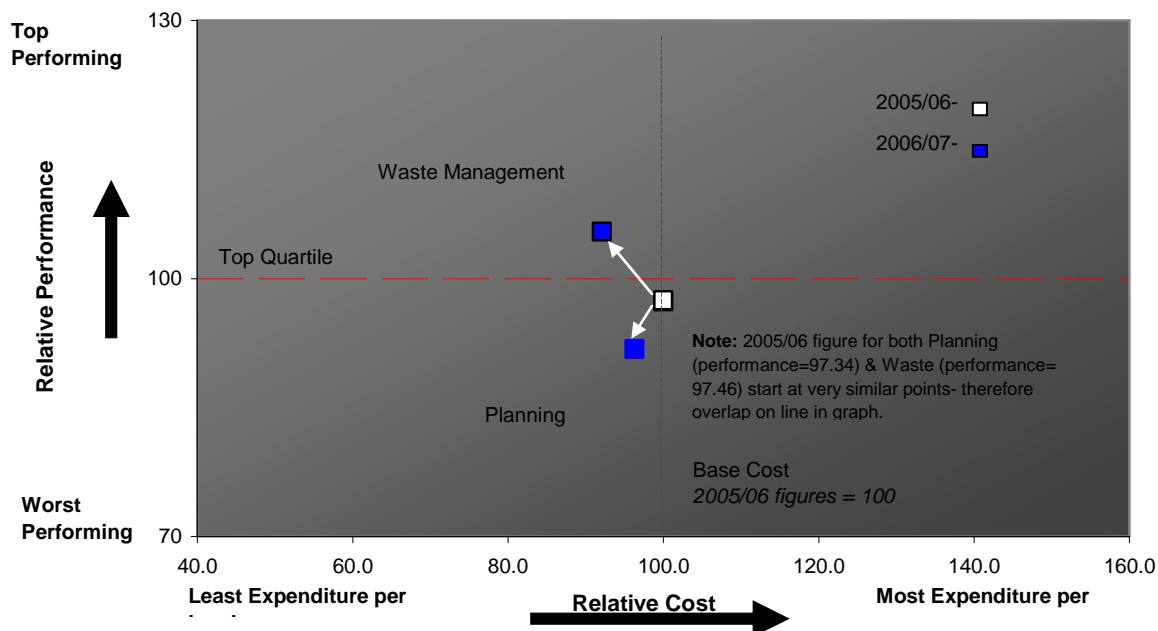
What have we done so far?

- South Hams and West Devon have worked together in producing a methodology (shown opposite) for baseline data analysis on costs and outcomes (example diagram on following page displays 2005/06 figures)
- A joint improvement unit (policy and performance) for South Hams and West Devon has been formed and performance management and reporting is being standardised between the two authorities

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Methodology for understanding our costs and performance

Year on Year Value for Money: Cost v Performance: All Services



Costs and performance are mapped on the same graph enabling year on year direction of travel to be assessed. By using index numbers the analysis can be used to compare all services on the same graph and compare with other authorities. The graph shows actual data for waste management and planning but the model will be developed to include all services.

Axis	Measurements
Costs	All authority costs will be analysed into services each year. Using 2006/07 as a base year, subsequent changes in spending will be analysed so that additional investments and efficiencies can be charted.
Performance / Outcomes	<p>Performance measures will be established and analysed for each service on an annual basis. In order to get a fuller, better balanced picture of performance, the following types of performance measures will be considered:</p> <ul style="list-style-type: none"> ▪ Quality which will include measures covering satisfaction, accuracy, internal performance and external assessment ▪ Efficiency including measures for speed, demand, access and staff indicators ▪ Benefits including measures for outcomes, impact on service, impact on customer and knowledge capture <p>Although initial performance measures will be primarily focussed on national best value performance indicators, subsequent lean systems reviews will determine measures which more appropriately relate to customer requirements.</p>

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What are we going to do, Who is going to do it and by When?

The action plan for 'establishing a baseline for costs and outcomes' is set out below.

How	What	Who	When
Value for Money	Finalise measures to be used in respect of cost and performance.	John Foxworthy (cost); Katie Stephens (performance)	November 2007
Value for Money	Produce analyses of cost and performance for each of the front line services and support services and produce the first complete Value for Money graphical analysis.	Katie Stephens; Mike Tithecott	December 2007
Value for Money	Work with West Devon to establish consistency in approach so that direct cost/ performance comparison can be undertaken.	Katie Stephens; Mike Tithecott	December 2007
Value for Money	Develop a customer survey in a consistent format to be used by all services to measure customer perceptions with respect to satisfaction, quality of service and ease of accessing services. Carry out survey after launch of Customer First	Tracy Winser	December 2007
Value for Money	To incorporate the proposed 2008/09 budget and targeted performance measures into the model in order to review 2008/09 service plans in the context of Value for Money	Katie Stephens; Mike Tithecott	January 2008
Value for Money	To use the Value for Money analysis to plan specific improvement projects such as lean reviews and access to service work for 2008/09.	Katie Stephens; Tracy Winser	February 2008

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Improving our processes

Why are we doing this?

In the previous section, we established a commitment to assess the Value for Money of all services by monitoring the relationship between costs and performance over time. Having established a baseline position, we need to demonstrate a commitment to improving cost effectiveness by reviewing the ways in which we provide services.

By reviewing our services and making them more cost effective, we will generate the 'Gershon' savings which can be used to invest in priority areas or to cover the anticipated reduction in Government funding arising from the Comprehensive Spending Review 2007.

How will we do this?

The following four key initiatives have been adopted for considering improvements to the way we work and in so doing improve the Value for Money relationship between costs and outcomes:

- Lean systems thinking
- Shared services
- Income generation
- Procurement

Lean systems thinking enables better more cost effective services by focussing on the needs of the customer. It centres on process review and improvement. Improvements are delivered through the identification and removal of 'waste' within the system which is produced by inefficient and or unnecessary processes, duplication and rework. In short, it places an emphasis on 'getting things right first time' for the customer so that additional work to 'put things right' is avoided.

A simple example of lean systems thinking working to improve quality of service and reduce cost is in the processing of a claim or application. By ensuring that applications are received completed and with all accompanying evidence, applications can be processed quicker with considerably less time spent contacting the customer for further information. The customer receives a quicker more professional service and savings are achieved through the avoidance of unnecessary processes, administration and duplication.

There are an increasing number of case studies in Local Government which show that lean systems thinking has had a significant impact on both costs and performance.

Shared services provides the opportunity for South Hams to make significant savings particularly in the areas of support services, management and back office administration. South Hams has entered into a formal commitment with Teignbridge and West Devon Councils to consider shared services and has joined with the other Devon Districts and Devon County Council in an initiative to improve two tier working.

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Income generation work will focus on ensuring that the Councils assets and resources are being utilised not only to maximise existing income streams but consider potential new sources of income.

Procurement work will focus on ensuring that the Council is deriving Value for Money in respect of its spending by seeking innovative solutions to reduce costs of purchases and the purchase process.

What have we done so far?

Lean Systems

- A number of staff have now been trained to undertake lean systems reviews and more staff will be trained through a rolling programme which will be carried out in conjunction with Teignbridge and West Devon.
- The Improvement Plan Programme Manager will be responsible for co-ordinating a programme of lean systems reviews and will liaise with the Shared Service Programme Manager.
- A mechanism for prioritising reviews has been established as shown in the diagram below.

Factors for determining need for lean review

- *Customer demand* – a periodic demand analysis of all contacts with the authority will highlight customer demand on the Council and our capability to serve them effectively
- *Performance* – deteriorating performance will highlight the need to improve processes and customer focus
- *New IT* – lean review to be undertaken prior to implementation of new IT systems or updates to ensure that processes are not driven by the IT systems but rather the new IT complements customer focussed processes
- *Opportunity for Shared Services* – lean reviews to be undertaken by all potential shared service partners to understand demand and capability to meet that demand in order to consider the most effective way to share capability
- *Lean team knowledge* – an important concept in lean thinking is that those who do the work understand best what does and does not work effectively – all lean trained staff are encouraged therefore to initiate lean thinking in their own departments

- A commitment to work closely with West Devon Borough Council has extended to a joint methodology. Both Councils are committed to developing lean thinking alongside *Customer First* initiatives.

Shared Services

- A commitment with Teignbridge and West Devon Councils to undertake shared services has been entered into.
- A programme team with representatives from all 3 Councils has been established as has a Councillor and Senior Officer Steering Group.
- A report commissioned by South Hams and Teignbridge on the phasing of shared service projects has been reconsidered between the three authorities.
- A Strategic Business Case is being drafted.

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- A number of smaller shared services initiatives have been introduced or are being considered as and when opportunities arise.
- Work has started on 'Integrated Devon' - improved two tier working with Devon County Council.

Income Generation

- The role of the Business Development Officer, within the shared Improvement Unit, will be to seek opportunities to improve current trading businesses and to consider and where appropriate develop potential new sources of income. In particular to ensure that the council's assets and resources are being utilised to maximise existing income streams.

Procurement

- South Hams has a shared Procurement Officer with Teignbridge who works in close collaboration with West Devon to form the South and West Devon Procurement Partnership.

What are we going to do, Who is going to do it and by When?

The action plan for 'improving our processes' is set out below.

How	What	Who	When
Lean	In conjunction with West Devon establish a programme of lean reviews based upon the results of the Value for Money analysis, customer demand analysis and the shared services programme	Katie Stephens	December 2007
Lean	Continue programme of lean training in South Hams, Teignbridge and West Devon	Katie Stephens	January 2008
Lean	Work with West Devon in developing an in-house toolkit for taking forward lean reviews and concepts	Katie Stephens	November 2007
Lean	Undertake review of departmental performance measures to ensure that lean principles are adopted in measuring performance and that leading customer focussed indicators are developed alongside statutory performance indicators	Heads of Service	March 2008
Shared Services	Agree with West Devon and Teignbridge a Vision and Principles document. Agree an approach to undertaking a Strategic Business case that will establish the areas being considered for Shared Services and which sets out an action plan for the delivery of key outcomes from the shared service agenda	Ian Bollans	November 2007
Shared Services	Agree action plan arising for 'Integrated Devon' - enhanced two-tier working, with Devon County Council	David Incoll	December 2007
Income Generation	Agree an action plan for considering income generation to be incorporated into the 2009/10 budget process	John Foxworthy Alan Dunster	November 2007
Procurement	Agree an action plan for procurement initiatives in partnership with West Devon and Teignbridge Councils.	Roger Nicholson/Mel Staton	November 2007

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Improving access to services and information

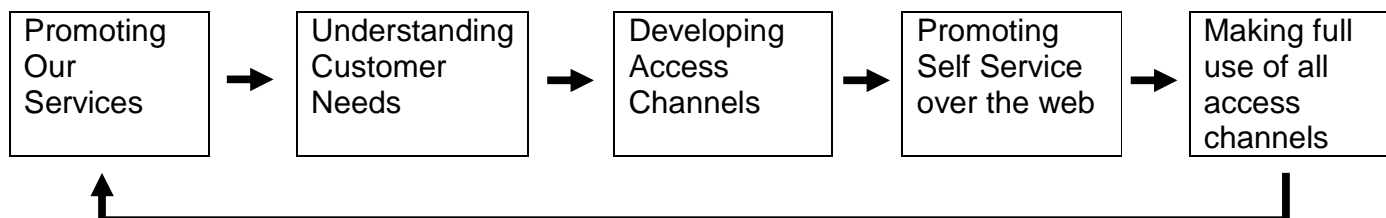
Why are we doing this?

In the previous section, we underlined our commitment to improve the cost effectiveness of our service provision by improving our processes around the customer. However, service provision is not truly effective unless customers have good access to those services at their (and not the Council's) convenience. We aim to satisfy our customers at the first point of contact in their access channel of choice.

Wherever possible we want our customers to access our services and information quickly and easily. This means offering a 'channel'¹ which is convenient to the customer at the time of transaction. Wherever possible and, more importantly, appropriate we will encourage customers to use more cost effective delivery channels such as the website which has the additional benefit of offering 24/7 access.

How will we do this?

Better access will be delivered by providing the customer with information about our services, understanding their needs, developing access channels to meet those needs and then ensuring those access channels are utilised by all services. This process is illustrated below:



Promoting our services is essential to ensure that all customers are aware of the services that are available to them. We will develop an information and communications plan using our South Hams branding to continually improve information on access to services.

Understanding customer needs is a pre-requisite of designing systems and processes to meet those needs. Different customers have different needs, often involving more than one area of service, as well as different preferences for accessing services. We will work to gain a better understanding of all our customers' needs through demand analysis techniques, consistent feedback surveys and consultation.

¹ A channel is defined as 'outbound and inbound means for organisations to deliver services to, and receive input from customers through a variety of direct communication and delivery methods (post, telephone, face-to-face, online, mobile, digital TV, fax, kiosk) or indirectly through intermediaries, such as voluntary organisations'

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Developing access channels so that they can meet customers' needs is an important factor in delivering better access. Having established customer needs it is important to assess our capability to meet those needs across existing channels which include:

- Face to face – both through Customer Service Centres
- Telephone – via a 'one-stop' approach hosted within Customer Services
- Web / E-mail – by development of a transactional website (see below)
- Letter – by ensuring effective processes for responding to written requests
- Text – as a speedy and convenient channel for more straightforward requests
- Assisted delivery – using a third party to assist access to services

Transactional website: Whilst it is important that customers are able to choose how to contact the council, with a reasonable certainty that they will be consistently well served over all channels, we will encourage self service through the web, as the most cost effective, 'open all hours' access channel. We will only encourage this, however, where the website is capable of providing services quickly, completely, reliably and effectively. Our website will be developed to allow more transactional service delivery to be undertaken.

Customer First – Right First Time: Having promoted services, developed an understanding of customer needs and the access channels to meet these needs, we will make an assessment for each service of whether we are offering consistent, complete and reliable service delivery through each channel. This work combined with lean review will allow us to redesign service delivery so that we are offering 'one-stop service' through the customer's chosen channel in accordance with service standards set out in the Customer First Plan adopting a 'right first time' approach.

What have we done so far?

Promoting our services

- Developing a strong South Hams branding

Understanding Customer Needs

- Developing a lean thinking approach and working with ICT department to develop process for capturing customer services demand analysis for all services to ascertain which channels are most frequently used

Developing access channels/Transactional website

- Set up a Customer Services Team with an aim of providing 'one stop, right first time' service. The team have developed and continue to develop all channels

Customer First

- Developed a Customer First Plan which aims to provide services in accordance with pre-determined standards through all channels. Delivering the plan will require access to services to be redesigned around an understanding of customer needs.

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What are we going to do, Who is going to do it and by When?

The action plan for 'improving access to services and information' is set out below.

How	What	Who	When
Lean	Carry out quarterly demand analysis at first point of contact to understand telephone and face to face demand	Tracy Winser	December 2007
Access Strategy	Develop and implement customer feedback form for Council wide implementation and incorporation as VFM performance measure for all services	Tracy Winser	December 2007
Customer First	Develop an action plan based on results from customer feedback to implement appropriate improvements in access to services	Tracy Winser	February 2008
Customer First	Continue development of the 'South Hams' branding	Tracy Winser	December 2007
Promoting Services	Promotion through the South Hams Matters magazine	Jenny Bishop	March 2008
Website	Procurement of new supplier and design of transactional website	Tracy Winser & Pauleen Blampied	August 2008

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Realising the Benefits

Why are we doing this?

It is important to demonstrate that the work we have undertaken in respect of improvement and access has resulted in positive benefits either in terms of improved outcomes or reduced costs or a combination of the two. Additionally, it is also important to demonstrate that all the Council's services are actually delivering the benefits set out in service plans, particularly in relation to additional budget growth bids.

How will we do this?

- By setting and monitoring 'Gershon' efficiency saving targets by service
- By monitoring changes in the relationship between costs and outcomes compared with the baseline position set out in the 'establishing a baseline between costs and outcomes' section
- By specifying clearly the anticipated outcomes arising from growth in the budget (i.e. cost pressures) and by monitoring to ensure that these outcomes are achieved

What have we done so far?

- Each service has an efficiency savings target which has been incorporated into the budget

What are we going to do, Who is going to do it and by When?

The action plan for 'realising the benefits' is set out below.

How	What	Who	When
Gershon	Gershon targets and associated action plans to be incorporated into the budget process for 2008/09	Heads of Service	December 2007
Financial Strategy	All budget pressures to be supported by SMART actions setting out the outcomes accruing from additional budget bids. Budget pressure actions plan to be produced and subsequently monitored to ensure that all outcomes are realised.	John Foxworthy	February 2008
Value for Money	Quarterly reporting of Value for Money methodology (graphical analysis) to be established for all services bringing together and rationalising existing performance and budget monitoring.	Mike Tithecott; Katie Stephens	May 2008